

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1749

Introduced by Assembly Member Hagman

February 14, 2014

An act to amend Section 4658.7 of the Labor Code, relating to workers' compensation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1749, as amended, Hagman. Workers' compensation: supplemental job displacement benefits.

Existing law establishes a workers' compensation system, administered by the Administrative Director of the Division of Workers' Compensation, to compensate an employee for injuries sustained in the course of his or her employment. Existing law, for injuries occurring on or after January 1, 2013, provides supplemental job displacement benefits in the form of a nontransferable voucher for specified expenses, including education-related retraining or skill enhancement, for an injured employee who has a permanent partial disability, as specified.

This bill would ~~make technical, nonsubstantive changes to the supplemental job displacement benefit provision~~ *require the administrative director to report to the Assembly Committee on Insurance and the Senate Committee on Insurance, on or before January 1, 2016, the extent to which injured workers who obtained specific education or training with vouchers issued pursuant to the provisions described above obtained employment related to that education or training.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 4658.7 of the Labor Code is amended to read:

4658.7. (a) This section shall apply to injuries occurring on or after January 1, 2013.

(b) If the injury causes permanent partial disability, the injured employee shall be entitled to a supplemental job displacement benefit as provided in this section unless the employer makes an offer of regular, modified, or alternative work, as defined in Section 4658.1, that meets both of the following criteria:

(1) The offer is made no later than 60 days after receipt by the claims administrator of the first report received from either the primary treating physician, an agreed medical evaluator, or a qualified medical evaluator, in the form created by the administrative director pursuant to subdivision (h), finding that the disability from all conditions for which compensation is claimed has become permanent and stationary and that the injury has caused permanent partial disability.

(A) If the employer or claims administrator has provided the physician with a job description of the employee's regular work, proposed modified work, or proposed alternative work, the physician shall evaluate and describe in the form whether the work capacities and activity restrictions are compatible with the physical requirements set forth in that job description.

(B) The claims administrator shall forward the form to the employer for the purpose of fully informing the employer of work capacities and activity restrictions resulting from the injury that are relevant to potential regular, modified, or alternative work.

(2) The offer is for regular work, modified work, or alternative work lasting at least 12 months.

(c) The supplemental job displacement benefit shall be offered to the employee within 20 days after the expiration of the time for making an offer of regular, modified, or alternative work pursuant to paragraph (1) of subdivision (b).

(d) The supplemental job displacement benefit shall be in the form of a voucher redeemable as provided in this section up to an aggregate of six thousand dollars (\$6,000).

(e) The voucher may be applied to any of the following expenses at the choice of the injured employee:

1 (1) Payment for education-related retraining or skill
2 enhancement, or both, at a California public school or with a
3 provider that is certified and on the state's Eligible Training
4 Provider List (ETPL), as authorized by the federal Workforce
5 Investment Act (Public Law 105-220), including payment of
6 tuition, fees, books, and other expenses required by the school for
7 retraining or skill enhancement.

8 (2) Payment for occupational licensing or professional
9 certification fees, related examination fees, and examination
10 preparation course fees.

11 (3) Payment for the services of licensed placement agencies,
12 vocational or return-to-work counseling, and résumé preparation,
13 all up to a combined limit of 10 percent of the amount of the
14 voucher.

15 (4) Purchase of tools required by a training or educational
16 program in which the employee is enrolled.

17 (5) Purchase of computer equipment, up to one thousand dollars
18 (\$1,000).

19 (6) Up to five hundred dollars (\$500) as a miscellaneous expense
20 reimbursement or advance, payable upon request and without need
21 for itemized documentation or accounting. The employee shall not
22 be entitled to any other voucher payment for transportation, travel
23 expenses, telephone or Internet access, clothing or uniforms, or
24 incidental expenses.

25 (f) The voucher shall expire two years after the date the voucher
26 is furnished to the employee, or five years after the date of injury,
27 whichever is later. The employee shall not be entitled to payment
28 or reimbursement of any expenses that have not been incurred and
29 submitted with appropriate documentation to the employer prior
30 to the expiration date.

31 (g) Settlement or commutation of a claim for the supplemental
32 job displacement benefit shall not be permitted under Chapter 2
33 (commencing with Section 5000) or Chapter 3 (commencing with
34 Section 5100) of Part 3.

35 (h) The administrative director shall adopt regulations for the
36 administration of this section, including, but not limited to, both
37 of the following:

38 (1) The time, manner, and content of notices of rights under this
39 section.

1 (2) The form of a mandatory attachment to a medical report to
2 be forwarded to the employer pursuant to paragraph (1) of
3 subdivision (b) for the purpose of fully informing the employer of
4 work capacities and of activity restrictions resulting from the injury
5 that are relevant to potential regular work, modified work, or
6 alternative work.

7 (i) An employer shall not be liable for compensation for injuries
8 incurred by the employee while utilizing the voucher.

9 (j) *On or before January 1, 2016, the administrative director*
10 *shall report to the Assembly Committee on Insurance and the*
11 *Senate Committee on Insurance the extent to which injured workers*
12 *who obtained specific education or training with vouchers issued*
13 *pursuant to this section obtained employment related to that*
14 *education or training.*